

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 2687 – HB 3332**

March 14, 2012

**SUMMARY OF AMENDMENT (014619):** Amends Section 2 of the original bill. Requires the short application form developed by the Tennessee Student Assistance Corporation to contain an attestation that the information on the application, including information establishing that a student is not eligible for a scholarship under Tenn. Code Ann. § 49-4-904 and that the student meets all requirements under Tenn. Code Ann. § 49-5-905, is true, correct, and complete to the best of the student's knowledge. Requires the student's attestation to be sufficient to verify eligibility for a HOPE scholarship award. Makes it a Class A misdemeanor offense to willfully give false statements on the short application form. Requires the application to contain an admonition informing the applicant of the Class A misdemeanor and possible penalties.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures - \$100,100/One-Time/FY12-13/Lottery for  
Education Account  
\$75,000/Recurring/FY13-14 and Subsequent  
Fiscal Years/Lottery for Education Account

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures - \$100,000/One-Time/FY12-13/Lottery for  
Education Account**

Assumptions applied to amendment:


- Directing an agency to use existing resources to perform a new function does not eliminate the fiscal impact of performing the new function because a new function that has a cost will reduce the agency's reversion, reduce other budget items, or require creation of additional positions to perform duties of the staff redirected to the new function.
- Students will self report information required in Tenn. Code Ann. § 49-4-904.
- TSAC will not be required to contract with a third-party vendor to verify the requirements of Tenn. Code Ann. § 49-4-904.

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- TSAC will use an existing vendor to create the short application form to interface with its existing database. The estimated one-time increase in state expenditures resulting from the vendor costs for computer programming to create the form will be approximately \$100,000. This funding will come from the Lottery for Education Account.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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